



Knowledge is wealth

NEL/BSE/19/2021

Date: 12th February, 2021

Corporate Relationship Department
Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai – 400001.

Dear Sirs,

Ref: Scrip Code – 508989

Sub: Submission of presentation shared with analysts and institutional investors on Unaudited Financial Results

In accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit Q3 FY21 presentation which is shared with analysts and institutional investors on Statement of Standalone And Consolidated Un-audited Financial Results for the Quarter and Nine Months ended 31st December, 2020.

The said presentation is uploaded on Company's website www.navneet.com.

You are requested to take note of the above.

Thanking you,

Yours faithfully,

FOR NAVNEET EDUCATION LIMITED

A handwritten signature in blue ink, appearing to read "A.D.B.", written over a faint circular stamp.

AMIT D. BUCH
COMPANY SECRETARY



Encl.: As above

NAVNEET EDUCATION LIMITED

CIN: L22200MH1984PLC034055

Navneet Bhavan, Bhavani Shankar Road, Near Shardashram Society, Dadar (W), Mumbai 400 028. India.

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Knowledge is wealth

Investor Presentation

As On Dec 31, 2020



A Premium Education House



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COMPANY OVERVIEW

Navneet Education Limited, founded by the Gala Family, is an educational syllabus-based supplementary content provider in Print & Digital medium and a manufacturer of Scholastic Paper stationery for domestic and international markets. New range of text books for students of CBSE and ICSE Boards are sold across India.

Over the years, the company has built a strong brand in the Educational Content & Scholastic Stationery gaining a leadership position. The company has a dominant market share of about 65% in western India.



Ed-Tech Digital Initiatives

Repurpose

Repurposing present digital content at eSense and creation of fresh content for All India markets. Investment between 25 – 40 cr. In 2 years

Digital Books

Introduction of Value-added Digital books of most important physical books of Navneet.

Interactive

Creation of interactive digital content for the young age group (0 – 8) and to be launched in next 6 months via App and Web with an Investment of 25 cr.



Platforms


Dissemination of newly designed digital content through other platforms & Partnership

Investments

Identifying and investing in relevant Ed- Tech companies to further enhance the market share of Navneet Group in various activities related to K – 12 segment.

Partnerships

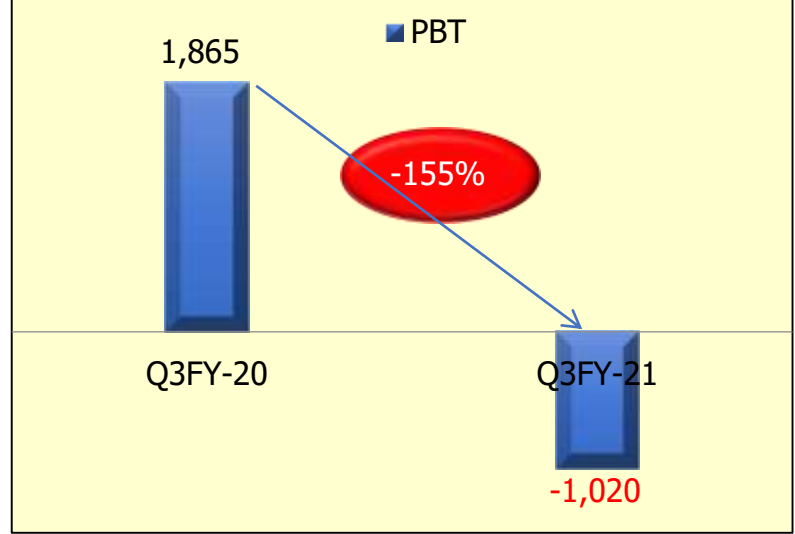
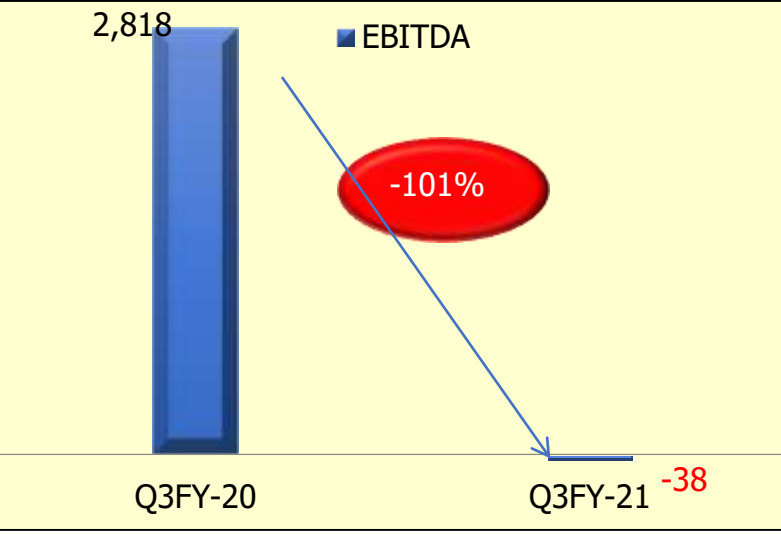
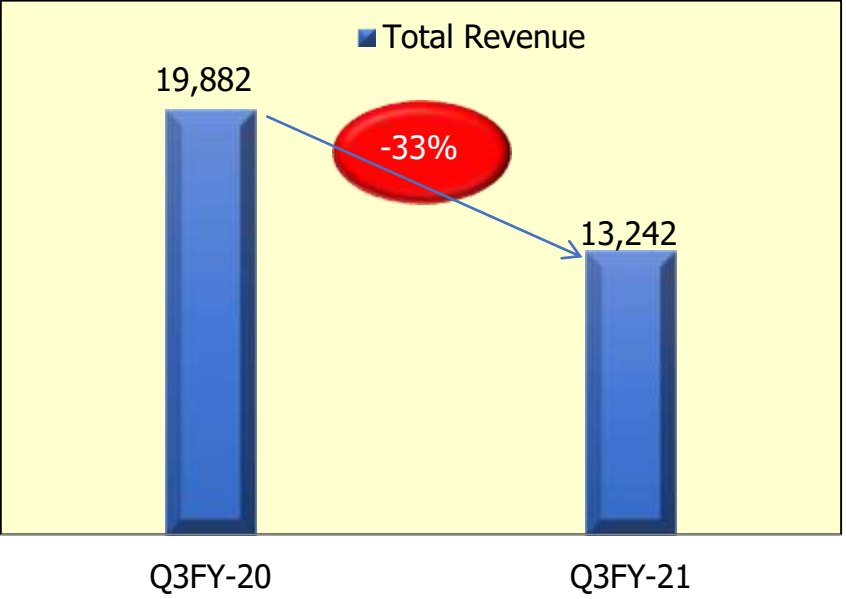
Partnering with other companies to grow seamlessly

The background features a large circular area on the left containing a photograph of students in school uniforms running on a track. The rest of the background is a light gray color with a repeating pattern of white line-art icons representing various educational fields: science (microscope, test tube, lightbulb), mathematics (Venn diagram, ruler, pencil), art (paint palette, brush), and general learning (book, gear, puzzle pieces, brain, speech bubble).

**FINANCIAL
PERFORMANCE
Q3FY21**

- For the first time in the history for Navneet; that Schools did not open till November and there after only few grades started slowly in December and that impacted sales of Print Publishing (NEL and Indiannica), Digital product (eSense) and Domestic stationery.
- More than 80% attendance is now seen in grade 9th to 12th from January and grades 5th to 8th also announced to be starting from February. Accordingly company has started seeing good demand for 5th to 12th grade products in the 4th quarter. Of course, the total business can not be recouped in just 4th quarter but substantial business seems to coming back.
- At Indiannica; 80% of the Business is achieved in the 4th Quarter hence it's a crucial one. We are confident that as the Schools across the country will start opening we will achieve good Business now.
- This was one of the poor year in the history of Navneet but now management is very confident that the whole education system will come back to normal in the next academic year and your company will be continue to grow as usual.

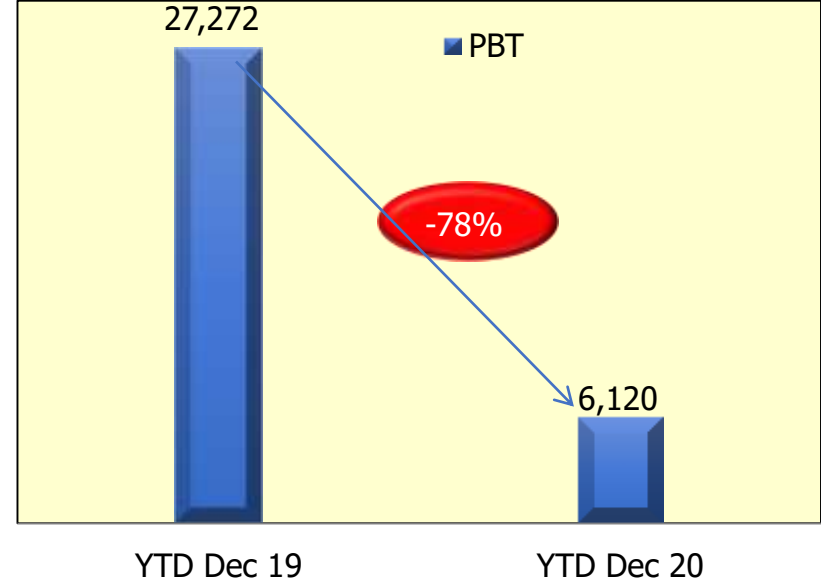
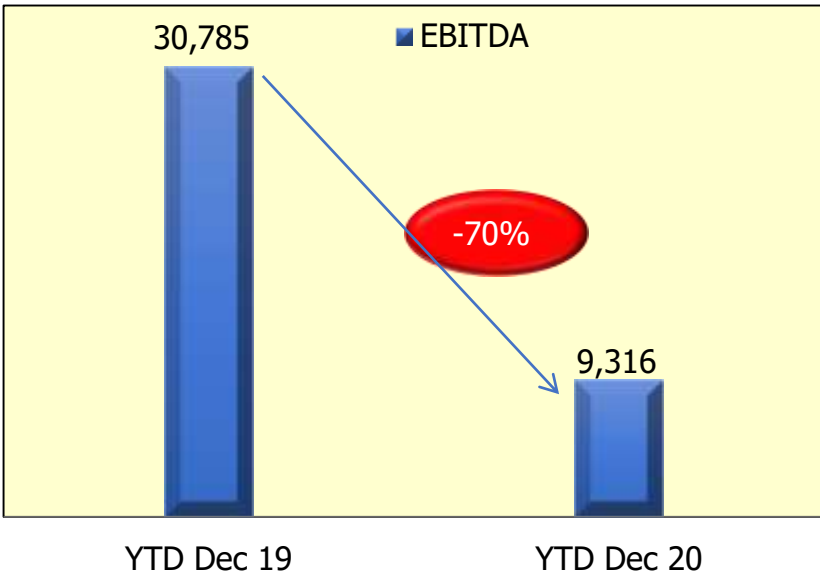
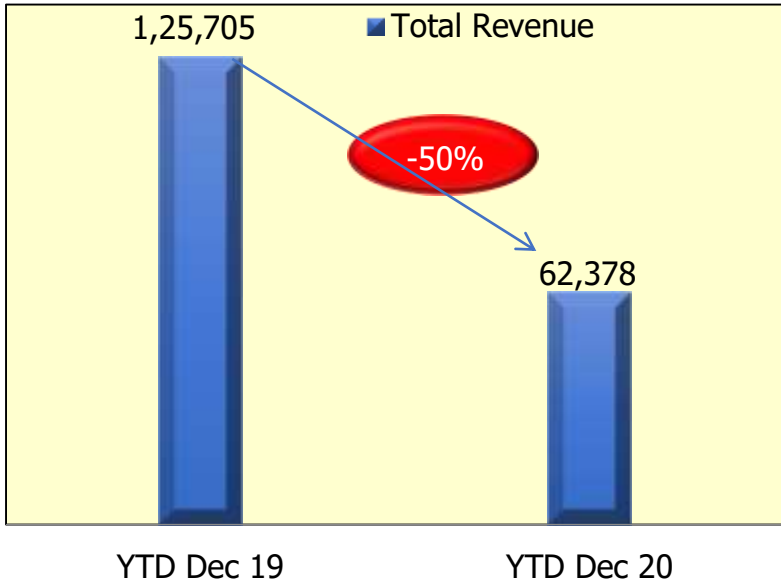
SEGMENTAL REVIEW– Q3 of FY'21

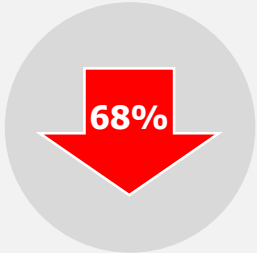




| Segmental Revenue | Publications | Stationery - Domestic | Stationery - Exports |
|-------------------|--------------|-----------------------|----------------------|
| | Q3 FY21 | 2,531 | 1,991 |
| Q3 FY20 | 8,304 | 2,961 | 7,954 |

Publications: 70% ↓
Stationery - Domestic: 33% ↓
Stationery - Exports: 3% ↑

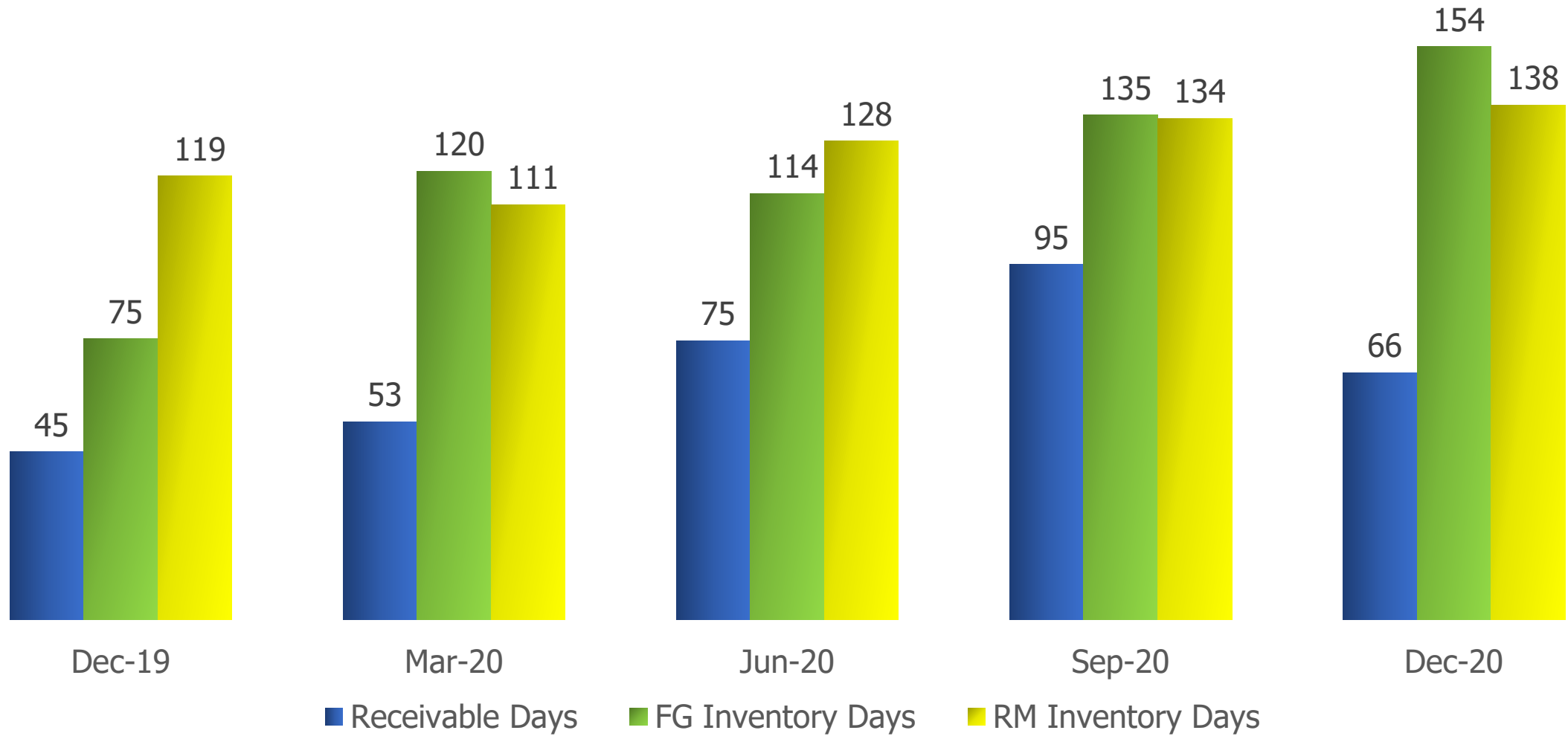
SEGMENTAL REVIEW – YTD of FY'21



| | Publications | Stationery - Domestic | Stationery - Exports |
|--------------------------|---|--|--|
| Segmental Revenue |  |  |  |
| YTD Dec FY21 | 20,394 | 7,608 | 33,102 |
| YTD Dec FY20 | 64,287 | 16,201 | 42,828 |

STANDALONE FINANCIAL RESULTS – Q3 of FY'21

| Particulars | Qtr. Ended Dec 20 | | | | YTD Ended Dec 20 | | | |
|---|-------------------|---------------|---------------|--------------|------------------|--------------|-----------------|--------------|
| | Q3 FY 21 | % of Rev | Q3 FY 20 | % of Rev | YTD FY 21 | % of Rev | YTD FY 20 | % of Rev |
| Income from Operations | 12,739 | | 19,282 | | 61,220 | | 1,23,458 | |
| Other Income | 503 | | 600 | | 1,158 | | 2,247 | |
| Total Revenue | 13,242 | | 19,882 | | 62,378 | | 1,25,705 | |
| COGS | 5,992 | | 8,623 | | 30,488 | | 62,739 | |
| Employee benefits | 3,412 | | 3,651 | | 10,012 | | 11,314 | |
| Other General Overheads | 3,877 | | 4,789 | | 12,563 | | 20,866 | |
| Total Expenses | 13,281 | 104.3% | 17,063 | 88.5% | 53,063 | 86.7% | 94,919 | 76.9% |
| EBITDA | (39) | -0.3% | 2,819 | 14.2% | 9,315 | 15.2% | 30,785 | 24.9% |
| Depreciation | 893 | | 909 | 4.7% | 2,587 | 4.2% | 2,590 | 2.1% |
| EBIT | (932) | | 1,909 | | 6,728 | | 28,195 | |
| Finance cost | 89 | | 45 | | 608 | | 924 | |
| PBT | (1021) | -8.0% | 1,865 | 9.7% | 6,120 | 10.0% | 27,272 | 22.1% |
| Tax | (263) | | 541 | | 1,587 | | 6,955 | |
| PAT | (758) | -6.0% | 1,324 | 6.9% | 4,533 | 7.4% | 20,317 | 16.5% |
| Other Comprehensive Income (OCI) | 70 | | 80 | | 1,202 | | (541) | |
| Total Comprehensive Income (TCI) | (688) | -5.4% | 1,404 | 7.3% | 5,735 | 9.4% | 19,776 | 16.0% |



(INR in Lacs)

| | Revenue from Ops | |
|---------------------|------------------|-----------------|
| | YTD of FY'21 | YTD of FY'20 |
| NEL | 61,220 | 1,23,458 |
| eSense | 613 | 1,515 |
| Indiannica | 325 | 1,343 |
| NLLP | - | - |
| NHKL | 108 | 156 |
| K12 | - | - |
| K12 Diminution Gain | - | - |
| Inter co Adjust | (373) | (325) |
| Total | 61,892 | 1,26,147 |

| Summary of EBITDA | |
|-------------------|---------------|
| YTD of FY'21 | YTD of FY'20 |
| 9,316 | 30,785 |
| (658) | (170) |
| (2,633) | (2,338) |
| (0) | (0) |
| (5) | (1) |
| - | - |
| - | - |
| 6 | (254) |
| 6,026 | 28,022 |

| Summary of PAT | |
|----------------|---------------|
| YTD of FY'21 | YTD of FY'20 |
| 4,533 | 20,318 |
| (1,061) | (553) |
| (3,406) | (3,369) |
| (0) | (0) |
| (5) | (1) |
| 324 | 80 |
| 3,279 | - |
| 41 | (61) |
| 3,706 | 16,414 |

During the quarter ended 30th September 2020 and nine months ended 31st December 2020, the Group had made additional investment in associate company 'K12 Techno Services Private Limited' of INR 700 Lakhs and the said associate has also issued additional convertible securities to existing / new investors leading to dilution of Group's share from 33.45% to 27.69% of the associate on a fully diluted basis. Consequent to the said dilution, gain on deemed disposal of INR 4,252 Lakhs was accounted during the quarter 30th September 2020 in accordance with the requirements of Ind AS 28 and the said gain has been shown as an exceptional item, further the deferred tax liability of INR 973 Lakhs on this gain has been considered under serial number X 'Tax Expenses' under the sub-heading deferred tax.

During the quarter and nine months ended 31st December 2019, the Group had made additional investment of INR 1,995 Lakhs to this associate company.

Publications

Publication Business will be normal going forward and with the introduction of NEP, many new subjects and also change in curriculum with help Navneet to Grow rapidly.

eSense (E-Learning)

On Digital front, Navneet group has started focussing more aggressively. Apart from organic growth in terms of additional products for the schools, Navneet will start focussing B2C markets with various Apps. and Platforms for different Age groups. Most of them will be introduced during next academic year.

Stationery & Exports

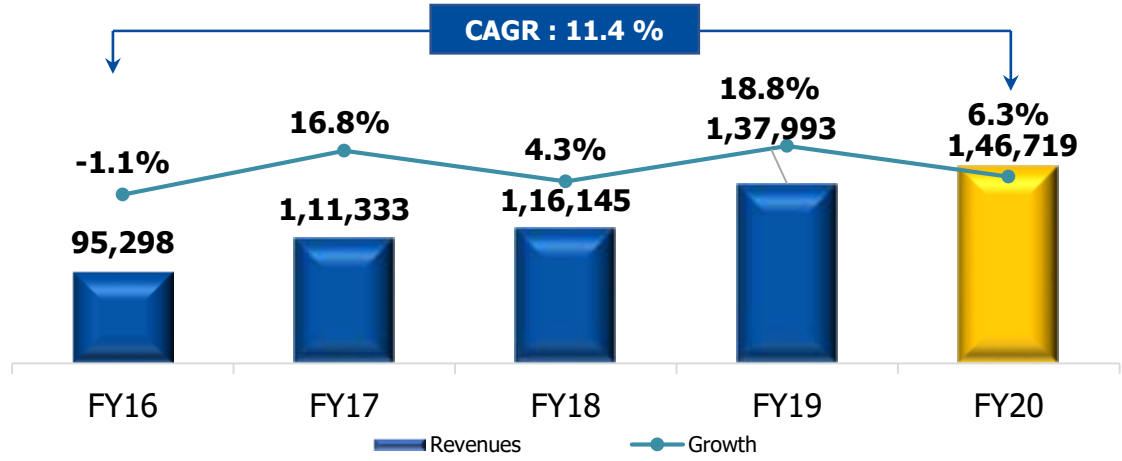
On stationery front, we have started receiving inquiries from many new customers. No doubt the effect of Pandemic is still severe in many part of the world, but management is very confident that it will grow in mid double digit for many years and accordingly , Navneet has started investing in creating world class infrastructure to match international standards.

STANDALONE FINANCIALS (LAST 5 YEARS)

(INR in Lakh)

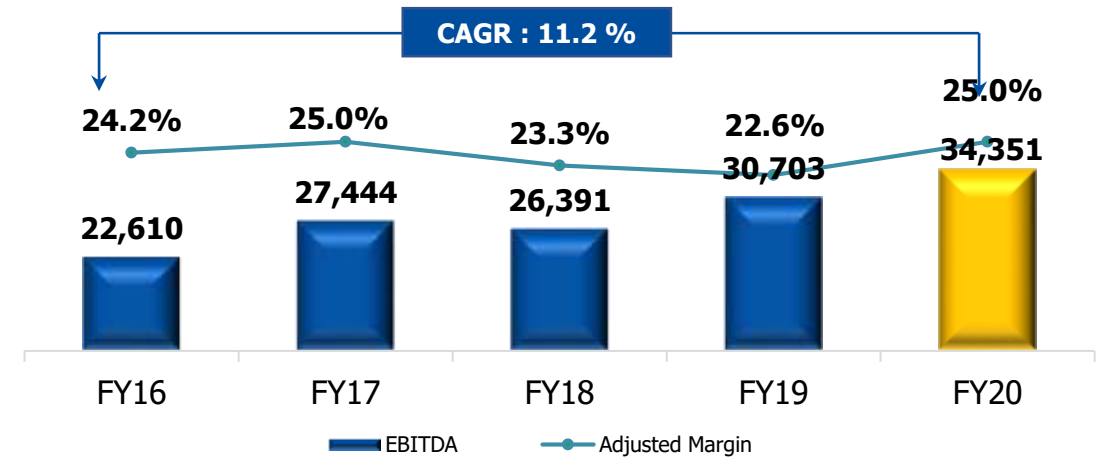
Total Revenue & Growth (%)

CAGR : 11.4 %



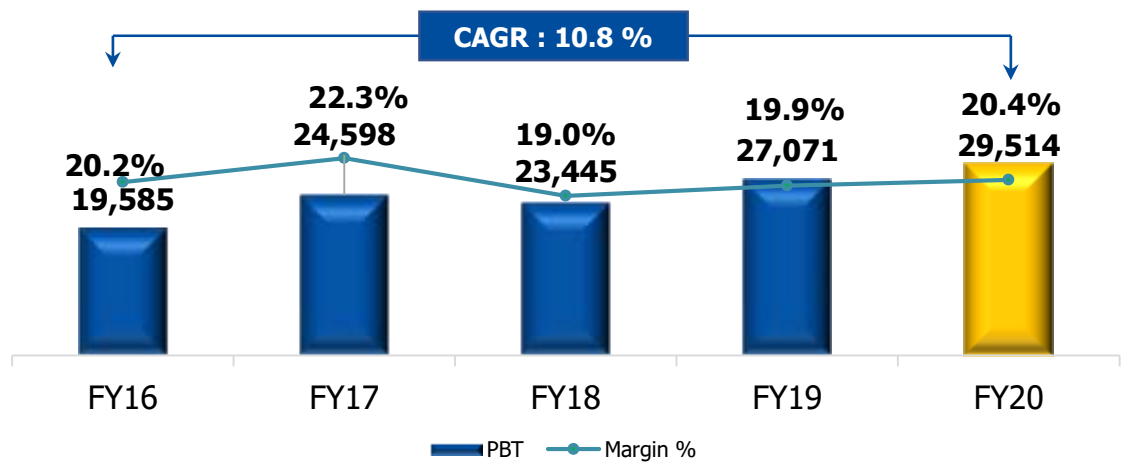
EBITDA & Adjusted Margins (%)

CAGR : 11.2 %



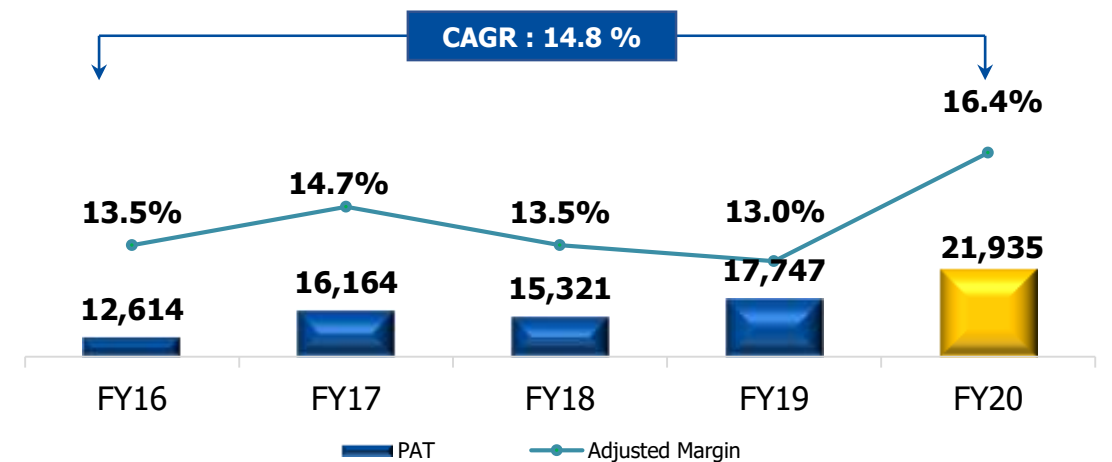
PBT & Margins (%)

CAGR : 10.8 %



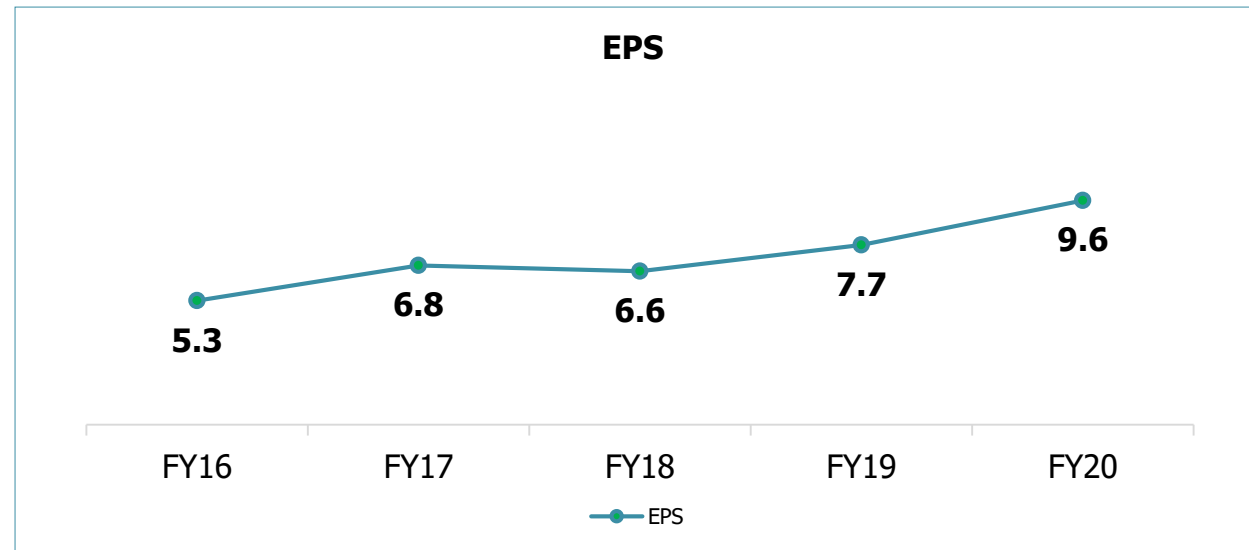
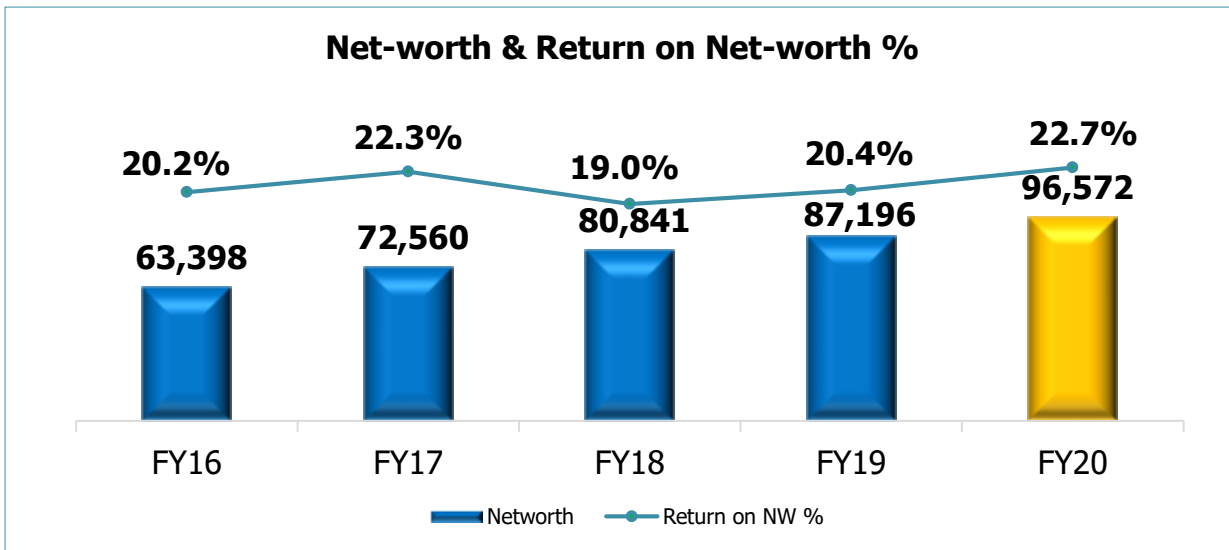
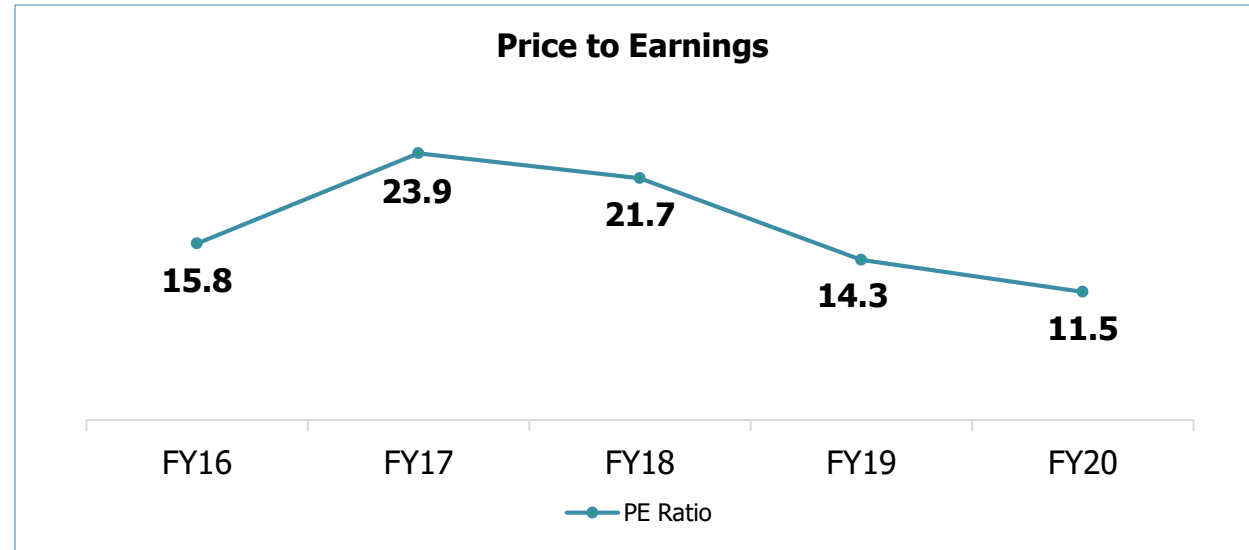
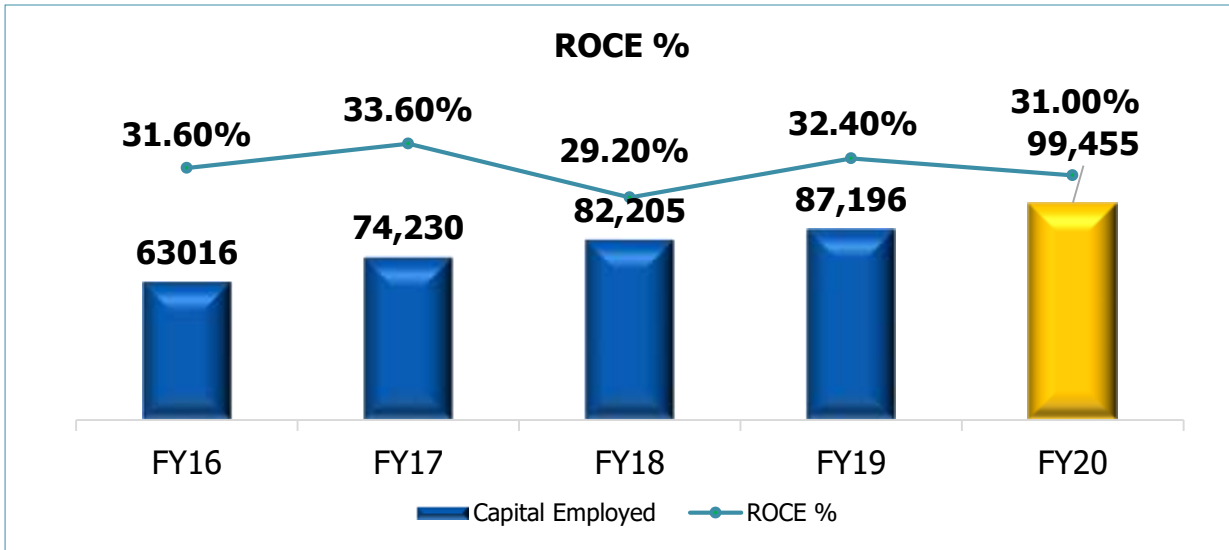
PAT & Adjusted Margins (%)

CAGR : 14.8 %



Note: EBITDA Margins % and PAT Margins % adjusted for non cash impairment charge and other non-recurring costs.

(₹ in Lakh)



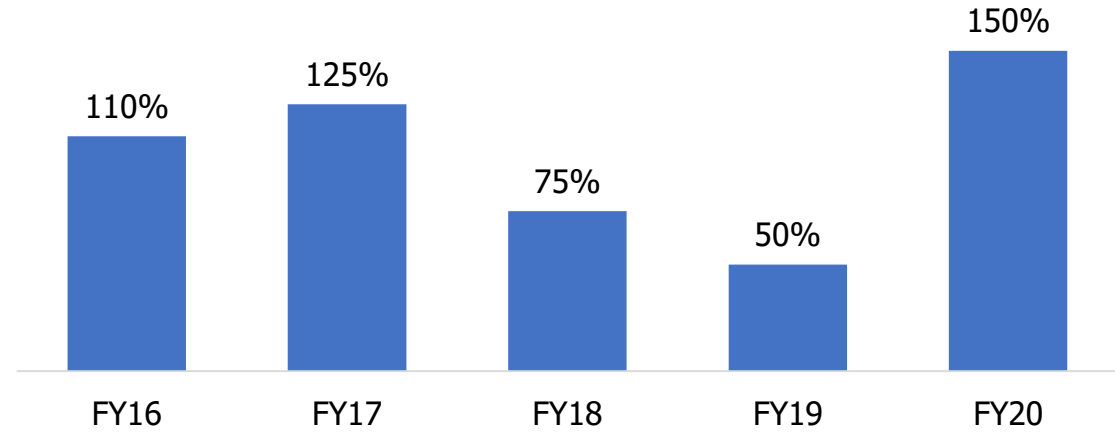
HIGH CASH FLOW GENERATION, LOW LEVERAGE AND CONSISTENT DIVIDEND PAYOUT



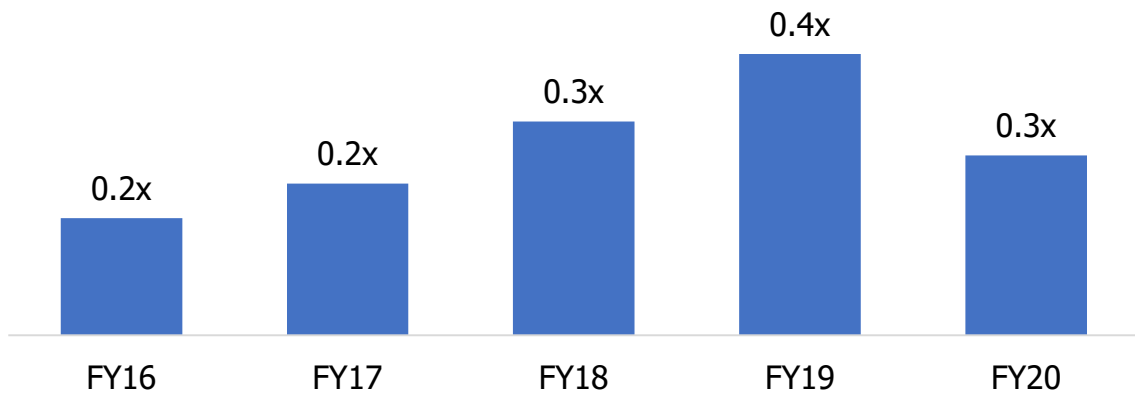
Healthy Pre-tax Cash Flows From Operations / EBITDA



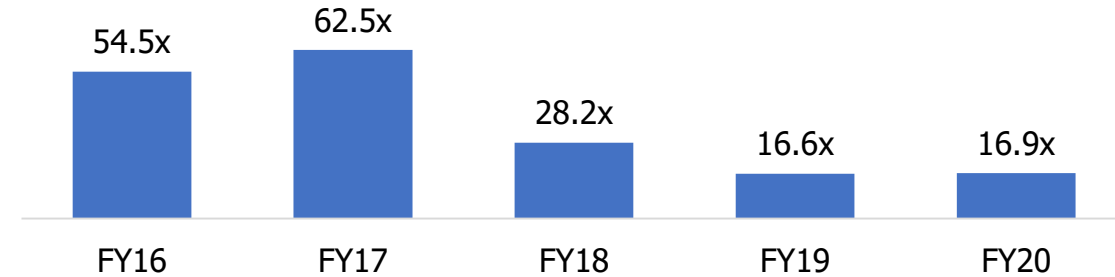
Consistent Dividend Payout

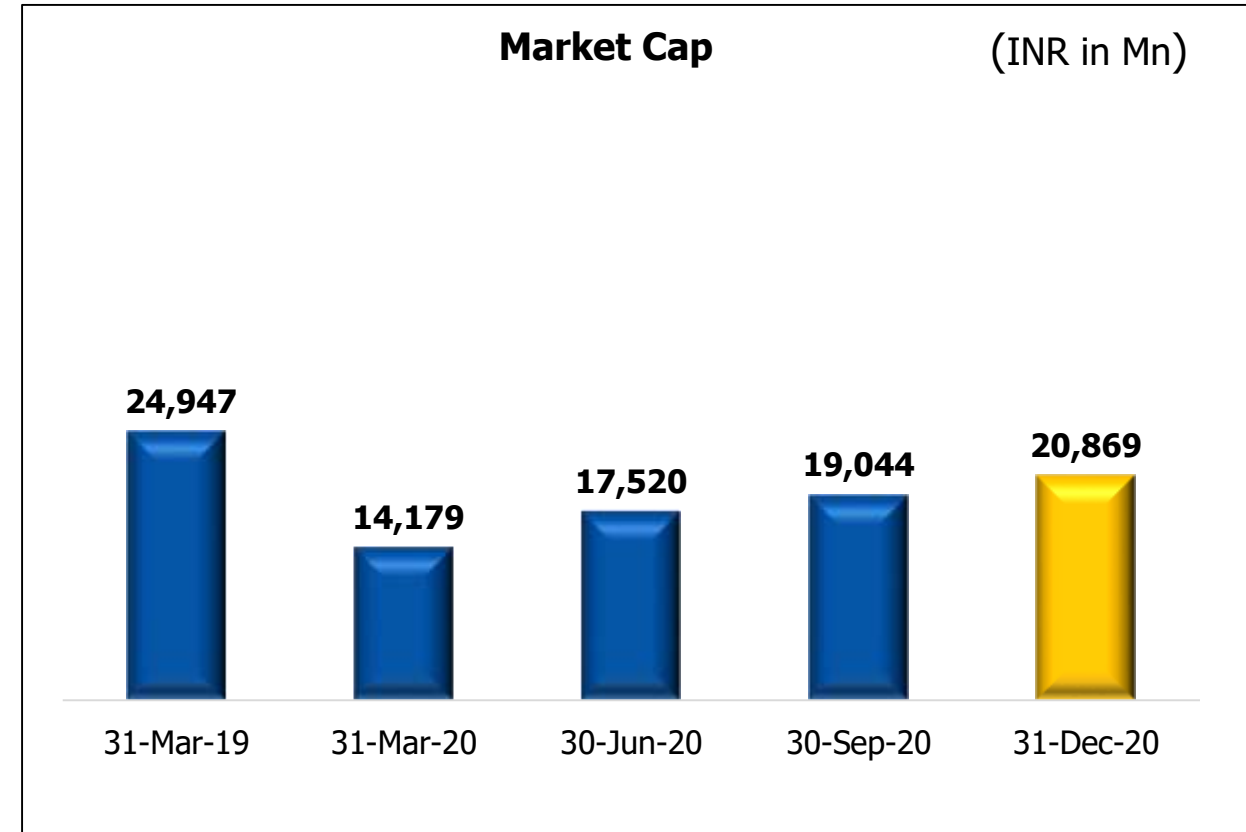
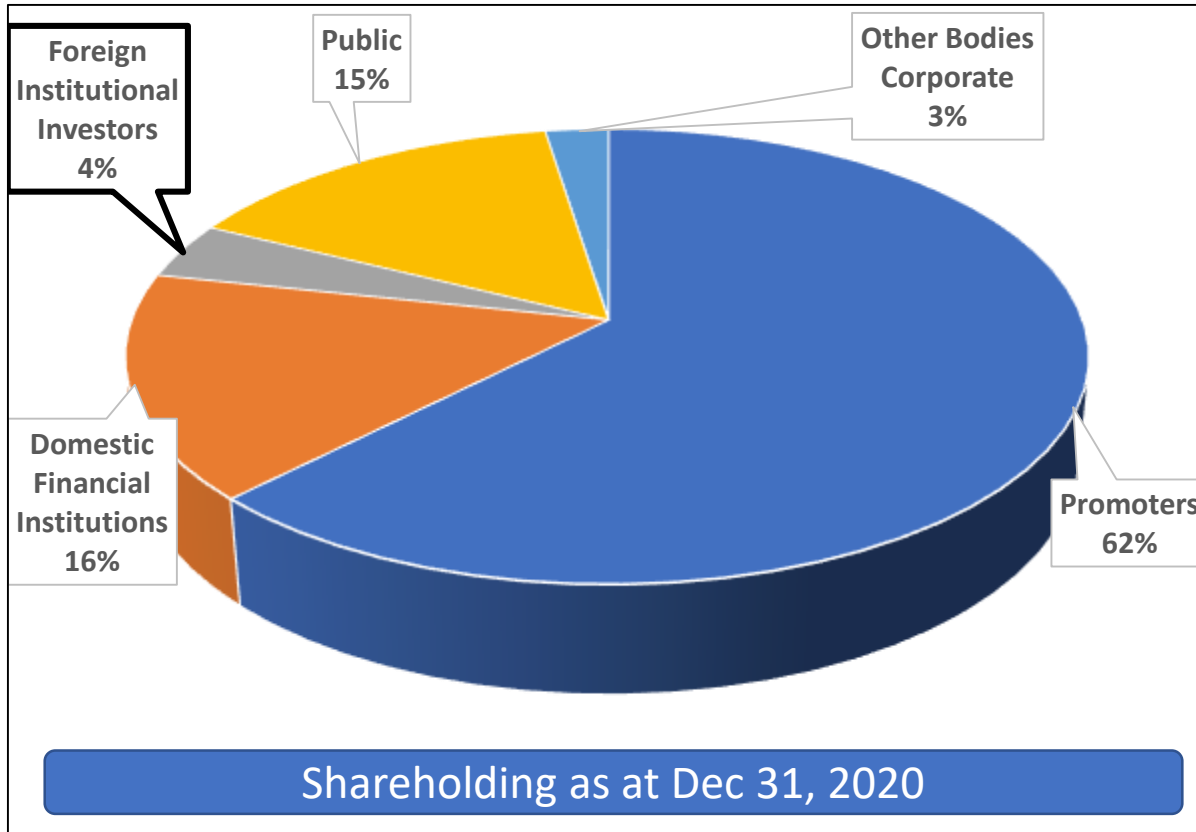


Low Leverage with Debt / Equity at 0.3x



High Interest Coverage Ratio





Trusted by **25,000+** Shareholders

Face Value of **Rs. 2/-** per share

For analysts coverage on Navneet visit:
<http://www.navneet.com/research-reports/>

Stock Code:

BSE : 508989

NSE : NAVNETEDUL

Bloomberg / Reuters: NELI IN / NAVN.BO

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